

**Income Maintenance Advisory Committee  
Department of Health and Family Services  
Division of Health Care Financing  
October 21, 2004  
\*Minutes\***

County Attendees: **Jackie Bennett**, Racine Co.; **Shiela Drays**, Dodge Co; **Tim Gessler**, Winnebago Co.; **Liz Green**, Dane Co.; **Gloria Guitan**, Milwaukee Co.; **Jane Huebsch**, Marathon Co.; **Ed Kamin**, Kenosha Co.; **Doreen Lang**, Wood Co.; **Bob Macaux**, Florence Co.; **Chris Machamer**, Waupaca Co.; **Sandy Potter**, Washington Co.; **John Rathman**, Outagamie Co.; **Felice Riley**, Milwaukee Co.; **Sue Schmitz**, Waukesha Co.; **Cindy Sutton**, Rock Co.

State Attendees: **Autumn Arnold**, DHFS/BHCE; **Mary Claridge**, DHFS/DMT; **Bernadette Connolly**, DHFS/BIMA; **Janet Even**, DHFS/BHCE; **John Haine**, DHFS/BIMA; **Essie Herron**, DHFS/BIMA; **Jim Jones**, DHFS/BHCE; **Pam Lohaus**, DHFS/BIMA/AA; **Cheryl McIlquham**, DHFS/BHCE; **Mike McKenzie**, DHFS/BHCE; **Scott Riedasch**, DHFS/BHCE; **Jodi Ross**, DHFS/BIMA; **Marilyn Rudd**, DHFS/BIMA; **Joanne Simpson**, DHFS/BIMA; **Edie Sprehn**, DWD; **Rick Zynda**, DHFS/BIMA

### **Administrative Items**

2005-2007 Biennial Budget: Cheryl McIlquham explained that the budget is now with the Governor's office for review. The Governor's budget will be announced and published in February 2005.

FoodShare Kick-Off: On October 15th there were three press events in Milwaukee, Green Bay, and Eau Claire, at which the DHFS Secretary's Office announced the name change of the Food Stamp Program to FoodShare Wisconsin. DHFS asked local agencies to continue to use their current supply of publications and materials. When the current supply is depleted, DHFS will provide local agencies with new materials with the new name. DHFS will continue to conduct outreach regarding the name change statewide.

### **Sub-Committee Reports**

#### Quality Assurance-

See handout below for recommendations by this subcommittee. The IMAC committee approved these recommendations.

FoodShare 2<sup>nd</sup> party reviews will begin with a small pilot group. MA 2<sup>nd</sup> party reviews have already begun in the pilot stage, and statewide implementation is scheduled for January 05.

The statewide error rate for June is at 5.58%, bringing the year total to 6.9%. This is the first time that Wisconsin has ever been under 7%.

PAC activities have been refocused to Milwaukee, for the remainder of their contract. Mike McKenzie reminded counties, however, if they need PAC assistance to contact Linda Weiler as usual, and assistance will be provided.

### Program and Policy Coordination-

See the handout below for an update on the Program Participation Grant activities.

Mike McKenzie asked for new assignments for this committee, some of the ideas included:

- ◆ Ways to streamline the Medicaid and FoodShare programs with the limited financial resources available.
- ◆ Aligning program requirements.
- ◆ Medicare part D implementation.

Mike again asked that the counties put together a list of any other ideas they may have and email them to Scott Riedasch.

Mike McKenzie also asked the IMAC committee for help in appointing a new co-chair to this sub-committee. IMAC appointed Tim Gessler.

### **LAB Eligibility Audit**

Cheryl McIlquham provided a summary of the recent Legislative Audit Bureau (LAB) Eligibility Audit. Some of the issues identified by LAB include:

- ◆ 200 active cases were reviewed by the auditors who found 6.5% of these cases were in error.
- ◆ LAB found 13 out of the 101 cases they reviewed had been found ineligible incorrectly .
- ◆ Family Fiscal Unit (FFU) policy was changed in 1999. After reviewing a sample of cases, LAB estimates that 1,100 individuals were denied or terminated incorrectly because the FFU policy was not applied correctly. DHFS automated the policy on July 7, 2004.
- ◆ While LAB discussed recipient fraud in their report, LAB did not find any evidence of recipient fraud in their random sample of Medicaid cases.

- ◆ Based upon discussions with local agencies and a limited sample, mail and phone in Medicaid applications appear to be more error prone than applications completed in-person.

Recommendations for improvement by LAB included:

- ◆ DHFS report back to the Joint Committee on Audit on corrective actions taken to address concerns listed in the report.
- ◆ Changes to the Medicaid mail in application.
- ◆ Ensuring the state Medicaid policies regarding fraud are consistent with state statutes.

## **Budget Proposals**

### SSI Managed CARE-

See handouts below.

### Transportation Broker-

Eileen McRae provided a summary of the transportation brokers proposal.

The DHFS budget request submitted to DOA in September includes language to contract with a statewide transportation management company. The intent is to provide non-emergency transportation to fee-for-service clients, on a fee-for-service basis. DHFS plans to put together a workgroup to get input and ideas from stakeholders statewide. This workgroup will include both county and DHFS staff.

### Other Items-

- ✓ The EBT customer service center has been moved from its location in India, and is now located in Jacksonville, FL.
- ✓ Hmong Resettlement has been going smoothly, although the number of people appears to be less than originally anticipated.

## Quality Assurance Subcommittee (QAS) Status Report

---

### Agency Preventable Error Liability Pass-through

The QAS made the following recommendations regarding liability pass-through of agency preventable error.

- ◆ There should be a pass-through to all local agencies of any agency preventable error liability. This recommendation was put on hold by the workload and finance subcommittee until 2006.
- ◆ The methodology for agency preventable error pass-through changed as a result of Food Stamp legislative changes to sanctions.
- ◆ The new language in the 2005 contract is:

The error penalty will be assessed if the following criteria are met:

1. Wisconsin has been assessed a sanction during the contract period by the federal government for Food Stamp Errors.
2. The IM Agency has a sample of 30 or more cases that were selected and reviewed for the Federal Quality Control sample.
3. The IM Agency has a Food Stamp error rate either above the federal tolerance level, or 6%, whichever is higher for the time period for which Wisconsin has been assessed a sanction.

The method used to calculate the error penalty for the agency is as follows:

1. The Department will calculate the agency preventable error dollar amount statewide as a percentage of the total dollars in error statewide. This percentage is applied to the federal sanction amount assessed against the state to derive the maximum amount statewide that the Department will pass-through to local IM agencies.
2. The Department will calculate the IM agency's agency preventable error as a percentage of the statewide agency preventable error amount. This percentage will be applied to the maximum amount statewide that the Department has determined will be passed-through to local IM agencies to determine the error penalty for the IM agency.
3. The amount of the error penalty assessed to the IM agency shall be 1% of the IM agency's base Income Maintenance Administration Allocation (IMAA), or the actual amount as calculated in 2B, whichever is lower.

For example, if the statewide total dollars in error is \$10,000 and the agency preventable error portion is \$5,000 then 50% of any sanction would be associated with agency preventable error. If the state received a sanction of \$400,000 then 50% (\$200,000) would be associated with agency preventable error and subject to a pass-through. If a local agency accounted for 20% of the state's total agency preventable error then that agency would be sanctioned for 20% of \$200,000 or \$40,000.

## **Food Stamp Bonus Pass-through**

The QAS recommended that any bonus awards be allocated according to a local agency's impact on the active or negative error rates or the percentage of the agency's caseload. These recommendations are also tabled until the 2006 contract.

## **Food Stamp 2<sup>nd</sup> Party Reviews**

A 2<sup>nd</sup> Party review process has been implemented in Milwaukee that has the following main components:

- ◆ Supervisors are responsible for reviewing ESS cases
- ◆ Review uses Find and Fix process and form
- ◆ Additional form developed for EBD cases (all EBD in FS HH)
- ◆ Supervisor responsible for reviewing 2 case/ESS/month or the equivalent
- ◆ Review finding entered into IMQA
- ◆ If case is in error the ESS must correct the case
- ◆ Reviews are completed within about 30 days
- ◆ Should cases need correction, the ESS must correct the case before cut off of the following month
- ◆ Case listing report
- ◆ Published monthly to IMQA for the supervisor by the first Tuesday in the first full week of each month
- ◆ Report criteria: 8/ESS, apps or reviews, HH > 2, allotment > \$100

QAS is recommending that the 2<sup>nd</sup> Party review process implemented in Milwaukee be piloted statewide for four months to ensure that the new system is not replacing an existing 2<sup>nd</sup> Party review that is of value at the local level. An Operations Memo detailing the process should be out to agencies in the next two weeks.

## **MA 2<sup>nd</sup> Party Reviews**

The MA 2<sup>nd</sup> Party review process is currently under development. QAS will review the final product and provide input before implementation. This initiative is scheduled for implementation in January.

**Food Stamp Participation Grant Project  
ACCESS Status Update  
10/21/04**

***Development of Self-Assessment Tool***



- 8/2/04 – Released operations memo 04-40, which describes ACCESS and the new ACCESS evaluation question added to CARES.
- 8/16/04 –ACCESS self-assessment tool became available at [www.access.wisconsin.gov](http://www.access.wisconsin.gov). This tool allows users to screen for Food Stamps, Family Medicaid, BadgerCare and SeniorCare.
- Initial data from ACCESS show the following results:
  - Almost 4,000 people have visited ACCESS since mid-August.
  - Of the 2,600 people who have completed the entire questionnaire, 85 percent appear to be eligible for at least one program.
  - In recent weeks, approximately 6 percent of all “requests for assistance” at county/tribal human service agencies were from people who said they had used the ACCESS self-assessment tool.
- In early September, we determined the final scope of Phase II and provided business requirements to Deloitte. Phase II will include the addition of the following programs to the self-assessment tool:
  - Medicaid for Elderly, Blind and Disabled, including SSI Medicaid, SSI-Related Medicaid, Medicaid Purchase Plan (MAPP), Medicaid Deductible, Medicare Premium Assistance, Institutional Medicaid, and Community Waivers.
  - WIC
  - Family Planning Waiver
  - School meals and Summer Food Service Program
  - The Emergency Food Assistance Program (TEFAP)
  - Tax credits (federal and state earned income credits, child credits, Homestead tax credit)
- Phase II will require four new pages in ACCESS to gather information about long-term care needs, assets, life insurance, and nursing home care payments.
- In September/October, we sought input on these new pages from Elderly Benefits Specialists throughout the state, tribal Medicaid outreach workers, and members of this IMAC subcommittee (by conference call).
- Press event occurred in Milwaukee, Eau Claire, and Green Bay on 10/15
- Collateral materials will be available to demo sites and other partners on 10/15.
- Spanish version of ACCESS will “go live” on or around 10/29/04.
- 11/8/04 through 12/17/04 – Deloitte, DHFS and community partners will conduct System Testing and User Acceptance Testing for Phase II.
- Upgrade to online self-assessment tool will “go live” December 20, 2004.
- In November/December/January, we will begin planning for Phase III – the online application, query and change reporting tools.

**To do**



***Demonstration Sites and Community Access Points***



- In August, all fifteen demonstration sites were trained on ACCESS, either in person (Milwaukee sites, CAP Services, WestCAP) or by conference call (tribal demonstration sites).
- In September, we finalized the selection of WIC demonstration sites in Rock County, Vernon County, and Marinette County. Due to the WIC contracting cycle, these three WIC sites will begin in January 2005.
- We will continue to support demonstration sites in their efforts to use ACCESS and reach out to potential community access points through trainings, presentations, and word of mouth.

**To do**





Jim Doyle  
Governor

Helene Nelson  
Secretary

## State of Wisconsin

Department of Health and Family Services

### DIVISION OF HEALTH CARE FINANCING

1 WEST WILSON STREET  
P O BOX 309  
MADISON WI 53701-0309

Telephone: 608-266-8922  
FAX: 608-266-1096  
TTY: 608-261-7798  
dhts.wisconsin.gov

### Expansion of SSI Managed Care (DIN 5420)

The Department requests a reduction of (\$1,359,100) GPR and (\$1,861,400) FED in FY06 and a reduction of (\$3,957,500) GPR and (\$5,328,000) FED in FY07 to reflect the impact of expanding the SSI Managed Care program in Milwaukee County and to a number of other areas in the state.

The Department supports the increased use of managed care in the MA program to achieve more effective coordination and delivery of care, better health outcomes, and more efficient use of resources. SSI adults with disabilities residing in the community are a high cost fee-for-service (FFS) population in the MA program. A significant portion of the FFS costs is due to the use of inpatient hospital services, emergency room services and outpatient hospital services for preventable conditions. The cost for these preventable conditions can, in part, be attributed to a lack of access to providers, non-compliance with treatment, and a lack of funding for alternative supports. Implementation of a managed care system for SSI adults with disabilities will provide improved care coordination, improved provider access, and more effective patient treatment.

The projected savings is based on the assumptions that: expansion of SSI managed care will begin to be phased-in in Milwaukee and Dane counties in January-April; that the Marshfield Clinic will begin in the summer of 2005 a modified care management program in the 28 county area served by the clinic; and that there will be further expansions in FY06 of SSI managed care to LaCrosse county, Southeast Wisconsin and the Fox Cities.

#### Fiscal Effect Summary

Source of Funds	FY 2006		FY 2007		Biennial Total	
	Dollars	FTE	Dollars	FTE	Dollars	FTE
GPR	\$ (1,359,100)		\$ (3,957,500)		\$ (5,316,600)	
FED	\$ (1,861,400)		\$ (5,328,000)		\$ (7,189,400)	
PR						
PRS						
SEG						
Total	\$ (3,220,500)		\$ (9,285,500)		\$ (12,506,000)	

# SSI Medicaid Managed Care Proposals

October 21, 2004

## Overview of Proposals

Currently, the Medicaid SSI managed care program consists of i-Care with 6,000 Medicaid only and dually eligible enrollees over 15 years of age who have selected i-Care voluntarily. The Department proposes to expand the program in Milwaukee County with two or more participating managed care organizations (MCOS) and to pilot other models in two additional areas of the state.

## Milwaukee County

- Establish a Milwaukee County advisory committee to consult with the Department on all major aspects of managed care expansion in Milwaukee County. A committee with several subcommittees has met since early July 2004.
- Begin "all-in/opt-out" enrollment of Medicaid eligible adults with disabilities in Milwaukee County between January-April 2005. Dually eligible persons would be enrolled on a purely voluntary basis. After a period of time to choose an MCO, Medicaid only recipients would be required to stay with that MCO for 60- 90 days. After the 60-90 day period, the person can change managed care organizations or return to fee-for-service. Once a choice of MCO is made, the person is required to stay with that organization for 9 months. After 9 months the process starts over again.
- Exclude Medicaid clients who participate in Home and Community Based Waivers.
- Carve-out all *county-matched* mental health services (Crisis Intervention, Community Support Programs, Targeted Case Management, and Community Care Services), but allow persons receiving these services to enroll in managed care. Other mental health services may be in the scope of managed care contracts with or without risk.
- Use current I-IMO certification process (*any willing and qualified MCO*) with standards tailored to adults with disabilities.
- Insure that MCOs contract with providers who can treat consumers with complex needs, such as persons with co-occurring substance abuse and mental illness as well as trauma survivors, and actively involve consumers in their treatment.
- Include RESPECT and Recovery principles in contract and require/encourage partnerships between agencies with expertise in serving adults with disabilities (i.e., Partnership) and those with medical managed care experience (i.e., HMOs).



- Implement an Early Warning Program (EWP) and other managed care consumer safeguards.

## **Dane County**

The Dane County Human Services Department, Community Living Alliance (CLA) and the Dane County Mental Health Center are working together to offer comprehensive, risk-based managed care to all Dane County SSI eligible adults. Current plans assume "all-in/opt out" enrollment. The model envisions incorporating home and community based waiver and county funded mental health services at some point as part of a comprehensive array of services and supports for enrollees. CLA would have the managed care contract with the Department and subcontract with the other major partners. The Dane County partners have established an advisory committee of Dane County stakeholders. Implementation is scheduled for June 2005.

## **Marshfield "Pay for Performance"**

DBFS would enter into a cooperative service contract arrangement with Marshfield Clinic to serve persons eligible for SSI and living in the community. The purpose of the demonstration is to create financial incentives for improving health outcomes and saving money through coordinated and managed systems of care in a fee-for-service environment. The payment methodology would be a no-risk/shared-savings model with incentives for savings over the projected cost of serving an equivalent population as well as incentives for meeting quality improvement targets. Implementation is scheduled for June 2005.